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DR. V. K. JOHN :—" Not to the Hon. Minister."

\* THE HON. SRI H. SITARAMA REDDI :—" Anyway, there is nothing wrong in correcting a mistake, and as a lawyer, he knows that sometimes the best drafted Act when it goes before a Court of Law and is analysed by eminent lawyers, is found to contain certain defects; and it is quite necessary that the Government should rectify the mistakes or defects in the interests of the public. Such a measure should not therefore be called wrong, and I am sure the hon. Member did not mean it."

DR. V. K. JOHN :—" I said, to rectify a mistake was prudence, but to persist in it was wrong."

THE HON. SRI H. SITARAMA REDDI :—" Anyway, we have known the hon. Leader of the Opposition to persist in making criticisms in regard to any Bill, whether it is good, bad or indifferent. I am sure, Sir, when the comprehensive Bill comes, it will contain provisions which will not evoke such criticisms from him. I am glad to see even in this case he had not any adverse criticism to make, except perhaps to give a sort of general advice as to how the Government should conduct themselves. We have been accustomed to receive such advice quite occasionally from the Leader of the Opposition. I now move, Sir, that the Bill be taken into consideration at once."

THE DEPUTY CHAIRMAN :—" The question is—

' That the Madras Tenants and Ryots Protection (Amendment) Bill, 1950 (L.A. Bill No. 9 of 1950), as passed by the Legislative Assembly, be taken into consideration at once.' "

The motion was carried.

Clauses 2, 3 and 4 were put separately and carried.

Clause 1 was put and carried.

The Preamble was put and carried.

THE HON. SRI H. SITARAMA REDDI :—" Sir, I move—

' That the Bill be passed into law.' "

THE DEPUTY CHAIRMAN :—" The question is—

' That the Madras Tenants and Ryots Protection (Amendment) Bill, 1950 (L.A. Bill No. 9 of 1950), as passed by the Legislative Assembly, be passed into law.' "

The motion was carried and the Bill was passed into law.

(6) THE MADRAS CITY MUNICIPAL, DISTRICT MUNICIPALITIES AND LOCAL BOARDS (AMENDMENT) BILL, 1950 (L.A. BILL NO. 5 OF 1950).

\* THE HON. SRI K. CHANDRAMOULI :—" Sir, I move—

' That the Madras City Municipal, District Municipalities and Local Boards (Amendment) Bill, 1950 (L.A. Bill No. 5 of 1950) <sup>a</sup>, as passed by the Legislative Assembly and transmitted to the Council be taken into consideration.'

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“ Sir, the City Municipal Act, 1919, the Madras District Municipalities Act, 1920 and the Madras Local Boards Act, 1920, provided for the levy by local bodies of a duty on certain transfers of immovable property, such as, sales, gifts and mortgages with possession. Transfers of immovable property by way of exchange are not covered by the existing provisions in these Acts. There is a tendency on the part of the public to evade the duty on instruments of sale by drawing up, instead, instruments of exchange, whereby the ownership of immovable property of considerable value is transferred for a consideration made up of a small piece of immovable property and a large amount of cash. It is therefore proposed to bring transfers by way of exchange also within the scope of the duty. Perpetual leases of immovable property are not covered by the sections as they stand. But as such leases are very common, especially in the South Kanara district, it is proposed to bring such leases also within the scope of the levy of the duty under the District Municipalities Act, 1920 and the Madras Local Boards Act, 1920. These are the two points covered by the Bill. So, Sir, I move that the Bill may be taken into consideration.”

THE DEPUTY CHAIRMAN :—“ Motion moved—

‘ That the Madras City Municipal, District Municipalities and Local Boards (Amendment) Bill, 1950 (L.A. Bill No. 5 of 1950), as passed by the Legislative Assembly, be taken into consideration at once.”

DR. A. LAKSHMANASWAMI MUDALIYAR :—“ Sir, I would like to have some clarification with regard to the Bill which is certified by the Hon. Speaker as a Money Bill. So far as I can see, Article 199 (1) of the Constitution says :

‘ For the purposes of this Chapter, a Bill shall be deemed to be a Money Bill if it contains only provisions dealing with all or any of the following matters, namely :—

(a) the imposition, abolition, remission, alteration or regulation of any tax

“ Then, Sir, clause (2) of Article 199 says :

‘ (2) A Bill shall not be deemed to be a Money Bill by reason only that it provides for the imposition of fines or other pecuniary penalties, or for the demand or payment of fees for licences or fees for services rendered, or by reason that it provides for the imposition, abolition, remission, alteration, or regulation of any tax by any local authority or body for local purposes.’

“ Sir, as I understand, this City Municipal, District Municipalities and Local Boards (Amendment) Bill, 1950, comes under the provisions of clause (2) of Article 199 of the Constitution and not under Article 199 (1) (a), because it provides for regulation of a tax, etc. The Hon. Minister said that the Act does not provide for the imposition of this tax, but owing to certain lapses which have been found it is necessary to fill up the gaps. I would like to know whether there is a possibility of giving some lead as to what are Money Bills and whether the amendment does not imply certain provisions for increase or decrease of certain assessments made by municipalities. My point is, so long as the District



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Municipalities Act is concerned, it cannot be said this is a Money Bill in the sense in which Money Bills are understood. Hon. Chairman has ruled on a previous occasion that what was introduced was a Money Bill and so no amendment could be moved. Now, I want some clarification as to what is a Money Bill and what is not a Money Bill. Here, I would like to refer to another Bill which is likely to be moved very soon, I mean the Madras Stamp (Amendment) Bill, according to which it is proposed to increase the stamp duty from 5 to 25 times. Yet, it is not called a Money Bill, since there is no Certificate from the Speaker. At any rate in regard to that Bill, I challenge whether it is a Money Bill or not. In the absence of such a certificate, it may be necessary to say, so. In the copy of the Stamp (Amendment) Bill which has been supplied to me, there is no certificate of the Speaker attached to it. (An hon. Member: 'It has been certified by the Hon. Speaker as a Money Bill'.) I am sorry. Now, Sir, the question arises as to what are the particular Bills that can come under the term 'Money Bills'. I am raising this point for the purpose of elucidation from you. Can a Bill which is an amendment to an existing Act, which covers only certain taxes, be brought under 'Money Bill'? If so, what is the effect of clause (2) of Article 199 of the Constitution which definitely says that it cannot come under 'Money Bills' if it is a question of raising a tax by local authority. I seek your enlightenment on this, Sir."

THE HON. SRI K. CHANDRAMOULI:—"Sir, I may point out that in this Bill, we are not amending the clauses which are already in existence, but we are adding certain new clauses. Since the hon. Member, Dr. Lakshmanaswami Mudaliar, has raised the point, I am clarifying the position."

DR. A. LAKSHMANASWAMI MUDALIYAR:—"Sir, the Bill begins by saying, 'Whereas it is expedient further to amend the Madras City Municipal Act, 1919 . . .'"

THE HON. SRI K. CHANDRAMOULI:—"It is no doubt an amending Bill, but it is not amending the existing provisions of those Acts, but we are only adding certain new sections."

(At this stage Mr. Chairman occupied the Chair.)

SRI M. NARAYANA MENON:—"Sir, I have not got a copy of the old Act and so I would like to know whether it is proposed to make any alteration in the old section, section 135, of the City Municipal Act, with reference to the rate of duty that is proposed to be levied. For instance, section 135 which this Bill proposes to substitute, states: 'at such rate as may be fixed by the State Government not exceeding 5 per centum . . .'. I want to know whether 'not exceeding five per centum' is to be in addition, or whether it is in the old section itself? But, whatever, it is, I wish to point out one thing. Suppose, there is to be a sale of immovable property for a lakh

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of rupees. Of course, stamp duty has to be paid. If five per cent is sought to be levied as from the date of this new Act, then the present purchaser of the property will have to pay Rs. 5,000 in addition to the stamp duty already paid by him. Is that the meaning. I want an explanation from the Government as to whether that is the meaning or anything else? I do not know whether such a huge amount is sought to be levied either from the transferee or transferor of immovable property."

DR. A. LAKSHMANASWAMI MUDALIYAR:—"Sir, may I put my difficulty now that you are here. Of course, I do not want a ruling from the Chair because I know when once the Speaker has given a ruling it is final, but I want an exposition on this occasion, because we should know what is it that a Money Bill means. Sir, on the last occasion, you rightly pointed out, what was introduced was a Money Bill and so no amendment could be moved. Here is an amendment to the City Municipal Act, the Madras District Municipalities Act and the Madras Local Boards Act. My submission, in the first instance was, that an amending Bill cannot be regarded as a Money Bill, even though there may be provisions in it which may vary certain levels of taxation. Here, I would like to refer to Article 199 (2) of the Constitution which says:

"A Bill shall not be deemed to be a Money Bill by reason only that it provides for the imposition of fines or other pecuniary penalties, or for the demand or payment of fees for licenses or fees for services rendered, or by reason that it provides for the imposition, abolition, remission, alteration or regulation of any tax by any local authority or body for local purposes."

This Bill, I think, is for the alteration or regulation of a tax levied by local bodies and it can definitely be put down under Article 199 (2) of the Constitution. So, it is not a Money Bill and I want a clarification from you, Sir."

THE HON. SRI H. SITARAMA REDDI:—"Sir, I would like to draw the attention of the hon. Member . . ."

MR. CHAIRMAN:—"Who is the Hon. Minister in charge of this Bill?"

THE HON. SRI H. SITARAMA REDDI:—"My Colleague, Sir, but I would like to point out so far as the Revenue portion of it is concerned. May I draw the attention of the Chairman to the next clause, i.e., clause (3) of Article 199 which says:

"If any question arises whether a Bill introduced in the Legislature of a State which has a Legislative Council is a Money Bill or not, the decision of the Speaker of the Legislative Assembly of such State thereon shall be final."

This has been certified by the Speaker as a Money Bill."

MR. CHAIRMAN:—"That, I think, has already been referred to by the hon. Dr. Lakshmanaswami Mudaliyar. But, what is the clarification which the hon. Dr. Lakshmanaswami Mudaliyar wants, I am not quite sure. The point raised by the hon. Member seems to be how in spite of clause (2) of Article 199



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this has been certified as a Money Bill. That seems to be the substance of the point raised by the hon. Member, but who can answer that."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" My point is simply this. We are handicapped because the Hon. Speaker has certified it as a Money Bill. On the last occasion I raised the point, as also other Members, whether under clause (3) of Article 199 it is for the Speaker to certify only when that issue is raised or automatically a certificate should issue on many of the Bills. It may be a subject of final decision by the Speaker, but is it intended that you are ruling out the possibility of the subjects being raised here, in view of clause (3) of Article 199 which says :

' If any question arises whether a Bill introduced in the Legislature of a State which has a Legislative Council is a Money Bill or not . . .

I submit that it is right on the part of this House to go into the question, adduce arguments to show that in its opinion it is not a Money Bill, and then only it will be right for the Speaker to sit in judgment and hear all aspects of the question and decide whether it is a Money Bill. If a certificate is attached in advance to every Bill saying that it is a Money Bill, then one particular right that is conferred on the Members of this House under Article 199 (3) of the Constitution would have been negated. I would like to know from you, Sir, whether that is the intention of the Constitution."

SRI S. B. ADITYAN :—" Might I know, Sir, what is the procedure adopted for certification of Bills as Money Bills by the Speaker ; what steps are taken by him in that direction ; does he consult the Chairman or any Department of Government ; and if so, which Department. It would be a welcome information to the House if you will let us know what procedure is adopted by the Speaker."

MR. CHAIRMAN :—" I feel that the point raised by Dr. Lakshmanaswami Mudaliyar is a very relevant one. It ultimately lies with the Speaker. The opinion of this House I am sure is entitled to be considered by whoever is the authority to decide whether a Bill is a Money Bill or not. The Constitution definitely says : ' If any question arises . . . ' I do not think that, that question arises for the Budget because it deals with money and there is no necessity for the Council to go into that question then. It appears to me that it is a very relevant point that Dr. Lakshmanaswami Mudaliyar has raised and I should think that the only way to decide the question is by means of a request to the Speaker for a small conference so that we may decide upon the procedure to be followed in future and how this question ought to be decided. I do not have any information how it is decided ; I have not been consulted in the matter and I am sure none of our Members was consulted. Perhaps he is being guided by

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the office or by the Legal Department or by the department which has control of the Bill and if they recommend perhaps the Speaker signs the certificate; I do not know. So far as the provisions of Article 199 are concerned, it is a Money Bill which deals with all or any of the following matters, namely, imposition, abolition, alteration or regulation of any tax and the provisions of this Bill pertains to the imposition of a duty on instruments specified in the Bill. This is an amendment of the old section; it will be a tax upon instruments."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" Anything pertaining to municipalities comes under Article 199 (2)."

MR. CHAIRMAN :—" It is an alteration of the existing provisions."

\* DR. V. K. JOHN :—" The position under the Constitution of India is very simple. There is a special procedure in respect of all Money Bills provided for under Articles 198 to 201. If it is a Money Bill, it shall be transmitted to the Legislative Council for its recommendations only and if we do pass it or do not send it with our recommendations within fourteen days, it is deemed as passed. The power of the Legislative Council in respect of Money Bills is very much restricted and is much less than the powers it enjoys in respect of other Bills. Article 199 defines what is a Money Bill. In Article 199 (3), it is said :

' There shall be endorsed on every Money Bill when it is transmitted to the Legislative Council under Article 198 . . . . '

and in this case his endorsement is obligatory. But the language of Article 199 (3) is somewhat different and it says :

' If any question arises whether a Bill introduced in the Legislature of a State which has a Legislative Council is a Money Bill or not, the decision of the Speaker of the Legislative Assembly of such State shall be final. '

I feel, Sir, that he can give the decision only if a question arises. As Dr. Lakshmanaswami very legitimately pointed out, this Bill might come under Article 199 (2) and not under Article 199 (1). Therefore, the question arises whether this is a Money Bill and whether we are to give our recommendations or we can pass it in the ordinary manner. When that question is raised somebody has to decide . . . . "

MR. CHAIRMAN :—" The Bill is transmitted to the House under Article 199 (4) and along with that the certificate must also come."

\* DR. V. K. JOHN :—" That is what I am saying, Sir. What has come here is not after the question has arisen but it is a certificate which has come under Article 199 (4). Suppose, Sir, we here say that this is not a Money Bill . . . . "

MR. CHAIRMAN :—" After this certificate?"

\* DR. V. K. JOHN :—" It has to be referred to the Speaker for his decision. He is the person who has power to decide if



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it is a Money Bill or not and he can only decide after the question has been raised and who can raise such questions here, except this House. Supposing we do not raise the question at all, the certificate remains and we send merely the recommendations under Article 198. But if the question is raised here, it has to be decided by some constituted authority and that constituted authority is the Speaker and his decision is final. If the Speaker gives his decision on the character of the Bill on which the question arises, it is final; he has not given a decision yet as the question has not been raised. I say, Sir, that decision is under Article 199 (3). The question has now only arisen. Dr. Lakshmanaswami has raised the point."

MR. CHAIRMAN :—" Can it not be that Article 199 (3) contemplates the question being raised not necessarily in the Council but in outside offices also; the question can be raised even in the Assembly."

\* DR. V. K. JOHN :—" Yet, it is so. If a question has arisen and he has given a decision, that decision is final. We have got now only a certificate and it is not stated in it that the question has arisen and the Speaker's decision is this; that has not been communicated to you. If it has arisen, the decision may be in the nature of a ruling and it need not be by way of a certificate on the Bill."

MR. CHAIRMAN :—" Article 199 (1) (a), (b), (c) refers to imposition by the State, whereas Article 199 (2) refers to imposition by local bodies."

\* DR. V. K. JOHN :—" It is an imposition by the local bodies under the authority of the State. Article 199 (2) says that the Bill shall not be a Money Bill by reason only that it provides for the imposition, abolition, remission or alternation or regulation of any tax by any local authority."

MR. CHAIRMAN :—" But the words ' by reason only ' are there; the point raised by Dr. Lakshmanaswami Mudaliyar is that if it comes under Article 199 (2), it cannot be called a Money Bill."

\* DR. V. K. JOHN :—" That, I submit, is not a frivolous contention and Article 199 (2) has been quoted in support of the proposition that we must have all the privileges which we have in respect of Bills which are not money Bills and we raise the question. When the question is raised—and normally it will be raised only here and not anywhere else because it affects only this House and does not affect the other House—natural justice demands that the man who raises the question must be heard; the Speaker who is the judicial authority must give notice to the person who has raised it and hear him before he comes to a decision. I submit, Sir, that the certificate which we have on the Bill is a certificate under Article 199 (4) and it is not a certificate

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based on a decision arrived at after the question has arisen under Article 199 (3). The question has been raised; it must go for his decision and he must give his decision and that will be final."

12-45 P.M. SRI S. B. ADITYAN :—" Sir, supposing it is open to this House to raise the question of certificate, that is, whether it is given rightly or wrongly, then, it means, it will be open to any member of the Council to raise the question whether the certificate is issued rightly or wrongly, and send the Money Bill back to the Assembly. That cannot be right; and it cannot be the case, for it amounts to this: it is within the competence of this Council to hold up Money Bills. So, I submit, once a certificate has been given, it is not at all proper for this House to discuss the matter further and open the question of validity of it. If it is to be allowed to be questioned here in the manner in which it is sought to be done here now, that is, by allowing any member to raise it, then, further business of this House could be suspended by any member, even by a back-bencher, and the business of this House could never be finished."

DR. V. K. JOHN :—" Sir, I don't think any distinction is made here about one being a back-bencher and a front-bencher. Sir, I hold, if the principle is right, it is open to this House to stop the further consideration of the Bill. I am in full sympathy with the learned doctor, because in this particular case there are points which show that there can be no further discussion of it now."

SRI S. B. ADITYAN :—" When a question is raised at some stage about the validity of the certificate . . . ."

MR. CHAIRMAN :—" By whom? "

SRI S. B. ADITYAN :—" Probably by the Chairman or some member of the Council, that stage should be before the Bill is introduced in the Council. You should settle the procedure in regard to this with the Speaker. Any way, that consideration should be made before the certificate is given by the Speaker. Once the certificate is given and the Bill comes before the Council, then it should be treated as a Money Bill, and the question of validity of it should not be opened, further consideration of the Bill should not be suspended and the whole thing sent back to the Assembly. For, you remember, Sir, the other day a Money Bill had to be passed on the last day of the month, and suppose one member of this House had questioned the validity of it and on that basis, that Bill had to be sent back to the other House, what would have become of that Bill. So, Sir, I submit, when once the Speaker had issued a certificate about a Money Bill, discussion on the validity or otherwise about it cannot be allowed in this House. For future guidance, you may have a talk about it with the Speaker about procedure and so on."



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DR. A. LAKSHMANASWAMI MUDALIYAR:—"Sir, I am not concerned with the passing of this Bill or its procedure. I am only concerned with the particular article in the Indian Constitution Act. It is a misfortune that this Bill has been brought in the House in this manner. In fact, I can refer to many other conundrums in the course of the discussion of this Bill. The Article says:

'If any question arises whether a Bill . . . is a Money Bill or not, the decision of the Speaker . . . shall be final.'

Final in what respect? When is it called final? Is he the only person authorized to decide the question. For generally we say a thing is final, when it is not appealable. Now, Sir, after listening to the speech of Dr. V. K. John, I submit that the Bill may be referred back to the Speaker in the light of discussion that has taken place here and he be requested to state whether this is a money Bill as contemplated in Article 199 (3)."

MR. CHAIRMAN:—"I do not think that question arises now; for I do not think there is a motion like that before the House."

DR. A. LAKSHMANASWAMI MUDALIYAR:—"I am sorry, I raise this question. I request you to communicate with the Speaker for consideration of my point."

DR. V. K. JOHN:—"I entirely support it."

SRI M. NARAYANA MENON:—"Sir, I submit, under section 199 (4) . . ."

DR. V. K. JOHN:—"Say Article 199 (4)."

SRI M. NARAYANA MENON:—"Yes, under Article 199 (4); and now you are quite right and I am quite wrong. (Laughter.) Under Article 199 (4), certificates are to be given by the Speaker of the Legislative Assembly on two occasions; once when the Bill is sent to the Legislative Council and another time when it is presented to the Governor for assent. On these two occasions, the Speaker has to certify. Now, in the present case, the Bill has been sent to this Council with the certificate that it is a Money Bill; and he has done it under Article 199 (4). Suppose this question of Money Bill was not raised in the Assembly, is there a necessity to affix a certificate when that Bill is sent to this House?"

MR. CHAIRMAN:—"Article 199 (4) answers the point. Now my point is are we precluded from raising this question, when that question has not been raised in the Assembly?"

SRI M. NARAYANA MENON:—"The only opportunity when we can raise this point is when the Money Bill is brought before this House. Sir, it is a matter of reconciling things. According to me there is scope in the Act for us to raise it. The

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Bill then should go back to the Speaker; he revises the certificate and returns the Bill to this House. The first certificate may not mean much. The second certificate is final."

MR. CHAIRMAN :—" So far as the Opposition is concerned, they want to refer the Bill to the Speaker, irrespective of the fact whether he revises or not the certificate.

" Now, the question may arise in two ways; one, inside this House and the other, outside this House, when it comes to me or the Secretariat office. The office, after raising the point, submits it for orders to the Speaker, and he gives his decision; then it is sent to me, and it is open to me to refer it back to the Speaker. Now, in this case, no such thing has happened. Now, does clause (3) of Article 199 preclude any member of this House raising this question. If according to you, certificate given under clause (4) is final, nobody can raise this question of certificate."

SRI M. NARAYANA MENON :—" Under clause (3) the question may arise in the Assembly or in the Council."

MR. CHAIRMAN :—" You agree it can be raised in the Council? "

SRI M. NARAYANA MENON :—" Yes. According to me only when the certificate is given by the Speaker."

MR. CHAIRMAN :—" Who will raise it? "

SRI M. NARAYANA MENON :—" Any member may raise it; otherwise, what is the meaning of the words ' if any question arises '. Perhaps the Bill may have to be referred to the Speaker again. He considers all the matters; he may then say it is not a Money Bill; then it comes up for our consideration here."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" Sir, you will find under Article 199 (4) the Speaker has to give a certificate, first, when he refers the Bill to this House, and again, when he presents the Bill to the assent of His Excellency the Governor. That certificate is the final certificate. Now, it is open to me, not a member of this House, but as a public citizen, to tell him not to give his assent to the Money Bill, inasmuch as it contravenes some of the provisions of the Constitution Act. So, the certificate given by the Speaker will not be a final certificate. If it is not a final certificate with reference to His Excellency the Governor, I submit it cannot be a final certificate even with regard to this House."

MR. CHAIRMAN :—" I do not quite follow. The certificate given is under sub-clause (4)."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" Sub-clause (4) says ' there shall be endorsed on every Money Bill



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when it is transmitted to the Legislative Council under Article 198, and when it is presented to the Governor for assent

MR. CHAIRMAN :—" How can the hon. Member object to that at that stage? "

DR. A. LAKSHMANASWAMI MUDALIYAR :—" When it is presented to the Governor, any public citizen is entitled to approach His Excellency the Governor and say ' these are the clauses in regard to the certificate issued by the Speaker ', and the Governor may ask the Speaker what he has got to say on the Bill."

MR. CHAIRMAN :—" If it has not been decided under clause 3."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" My submission is that if at that stage the Speaker can be asked to revise his decision and give a decision whether it is a Money Bill or not, when it comes to the Council, this House can do the same and ask the Speaker for a final decision, even though he has given a certificate."

\* SRI N. RANGA REDDI :—" Sir, under Article 196, the legislative powers of the Council and the Assembly are co-terminous except in regard to Money Bills. Any Bill can be introduced in the Legislative Council or in the Legislative Assembly, but with regard to Money Bills and other financial Bills, they can be introduced only in the Assembly. With the certificate of the Speaker, the present Bill comes before the Council for discussion. If in the Council a Bill is introduced for the first time the question might arise whether it is or is not a Money Bill. In that case that point will have to be referred to the Speaker of the Legislative Assembly. In that way the question can arise, and the decision of the Speaker will be final. But after a Bill has already been introduced in the Assembly . . ."

MR. CHAIRMAN :—" That is one of the ways in which it can arise. But how does the hon. Member say that that is the only way in which it can arise? "

SRI N. RANGA REDDI :—" There is no other way."

MR. CHAIRMAN :—" The hon. Member is perfectly right when he says that when a private Member has brought in a Bill, the Government may raise an objection and say that that is a Money Bill, and that the Speaker's decision on it is final. But how does the hon. Member say that that is the only way in which the question can arise? "

SRI N. RANGA REDDI :—" When once the Speaker certifies that it is a Money Bill, we cannot go behind it."

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MR. CHAIRMAN :—“ I am sure Mr. Ranga Reddi understands the point under discussion. The question that has now arisen is ‘ Do you say that Dr. Mudaliar is within his rights in raising this question or not ’. There are so many ways of questions being raised. Now the hon. Member has raised the point ‘ it has been certified by the Speaker to be a Money Bill; but I think that certificate is wrong; really it is not a Money Bill; it is covered only by clause (2); so, it should not be treated as a Money Bill, but it must be considered as an ordinary Bill ’. This is the point. Does the hon. Member say that Dr. Mudaliar is within his rights or not in raising this question? ”

SRI N. RANGA REDDI :—“ Sir, with due deference to Dr. Mudaliar, I submit that the point has to be decided only by the Speaker whether it is a Money Bill, and his decision is final. It does not leave room for anyone to challenge his decision. Even in a court of law, it cannot be challenged. The Speaker may have given a wrong decision, but there is no remedy.”

SRI S. B. ADITYAN :—“ Sir, the whole thing centres round this, namely, how is this question to be raised. I mentioned that it was not open to any hon. Member to raise this question and then immediately consider the point raised.”

MR. CHAIRMAN :—“ How is it to be raised? Is it open to any hon. Member to raise it or not? ”

SRI S. B. ADITYAN :—“ Assuming that it is open to a Member to raise this point—I am conceding that for the moment—and then to say that there is a way to raise this question by putting forward . . . (Interruption.) Sir, you have already ruled that in cases of Money Bills, certain amendments could be moved so long as the direction of the money is not altered. You have already ruled that it will be open to hon. Members to move amendments. If any hon. Member wishes to raise the question whether it is a Money Bill or not, then he should move an amendment, the amendment should be put on the agenda, and he should move an amendment saying that the consideration of the Bill be adjourned and referred back to the Speaker.”

MR. CHAIRMAN :—“ Let us agree that what you say is correct. But then what is my position in that case? When he moves the amendment, am I or am I not to allow it to be discussed whether it is a Money Bill or not? ”

SRI S. B. ADITYAN :—“ There is no such amendment now.”

MR. CHAIRMAN :—“ The hon. Member is too technical. Let us discuss all aspects.”

DR. V. K. JOHN :—“ Particularly, when it concerns the privileges of this House.”



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MR. CHAIRMAN :—“ The point is, is it open to any hon. Member after it is certified under clause (4), to raise the question or not.”

\* THE HON. SRI K. CHANDRAMOULI :—“ After the certificate by the Speaker, hon. Members of this House either individually or collectively, including, with due deference, the Chairman have no right to discuss whether it is a Money Bill or not. But Dr. Lakshmanaswami Mudaliyar raised one point, namely, whether any individual citizen, when this Bill goes to His Excellency the Governor for assent, cannot raise this question. An individual citizen may then raise this question. But as far as this House is concerned, the decision of the Speaker is final, and it must be followed.”

SRI N. RANGA REDDI :—“ Even with regard to the point raised by Dr. Lakshmanaswami Mudaliyar, I submit that when once the Speaker has certified it as a Money Bill, his decision is final. His certificate is final, and it cannot be challenged.”

MR. CHAIRMAN :—“ That is the obvious point which all of us know.”

\* DR. V. K. JOHN :—“ Sir, I have been submitting that the Speaker's certificate is not a decision. The decision is under clause (3). Now, when a Money Bill is introduced by the Government in the Legislative Assembly, and is passed there, the Speaker is bound to certify it as a matter of course. He has no discretion in the matter. He does not come to any decision. The Bill is introduced in the Assembly, passed there, and it comes here with the certificate of the Speaker that it is a Money Bill. It is discussed here and it goes back to the Speaker for decision when the question arises. Mere certificate is no decision. On the question being raised whether it is a Money Bill or not, the Speaker has to certify. Therefore, hon. Members saying that the Speaker has already come to a decision and he has certified that it is a Money Bill, and that when once he has come to a decision under clause (4), clause (3) never comes into operation, is, I submit, wrong.”

MR. CHAIRMAN :—“ The clause may come into operation even otherwise.”

\* DR. V. K. JOHN :—“ The Constitution puts on him a responsibility to give a certificate, which he should give, whenever a Money Bill is passed in the other House. This certificate is given under clause (4). He has not come to a decision under clause (3). If it is a decision under clause (3), it is final, and nobody can question that. A certificate is given under the provisions of the Constitution whenever a Money Bill is introduced by the Government and passed in the Assembly. The Speaker is not deciding the question between two contending parties, one party raising the question that it is not a Money Bill and the other saying that it is a Money Bill. When that question arises,

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it goes to the Speaker for decision. But no Member can contend that when once the Speaker gives a certificate, that certificate is his final decision."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" Sir, may I quote the analogy of the Chairman of the Legislative Council? Private motions are allowed by you. You think they are in order. When they are being debated, it is open to any Member to question whether they are in order or not. Although you have originally certified that they are in order, when the discussion arises out of a motion of a Member whether it is in order, and points are raised on it, it is for you to give a final decision whether they are in order or not. Likewise, if a Money Bill is certified, and questions arise under clause (3), it is analogous to the position of the Chairman of the Legislative Council or the Speaker of the Legislative Assembly, who originally allows a motion on the *apriori* ground that it is in order, but who subsequently in the wake of the discussions and the arguments that have been put forward, revises his decision and rules it out of order. The same procedure might be applied here."

THE HON. DR. T. S. S. RAJAN :—" May I suggest, Sir, that the Bill may go on, and the question decided later."

SRI S. B. ADITYAN :—" I suggest that we get on with the work. If hon. Members want to raise this question, they should have raised this with reference to the point of procedure."

MR. CHAIRMAN :—" Why is the hon. Member so anxious? "

SRI S. B. ADITYAN :—" I am raising a point of order, which I am entitled to."

MR. CHAIRMAN :—" I know your point, but why should you be so anxious? The Leader of the House is making a suggestion, and I am considering that. I am of the same opinion as he is. But why should you be so anxious, I do not understand. Why should you be so very hasty in this matter? "

DR. V. K. JOHN :—" He is the Whip, Sir."

MR. CHAIRMAN :—" Dr. John, you have got some help from a friend who draws your attention to the word '*introduced*' occurring in the words 'if any question arises whether a Bill introduced in the Legislature of a State . . .'. The question arises only after the Bill is introduced."

1-15  
p.m.

\* DR. V. K. JOHN :—" May I read to you, Sir, Article 198 (1) which says 'A Money Bill shall not be introduced in a Legislative Council.'? The wording used is 'shall not be introduced'. Now the Bill has been introduced and the question arises whether it is actually a Money Bill or not. According to clause (3) of Article 199, the decision of the Speaker of the Legislative Assembly shall be final in this matter."



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MR. CHAIRMAN :—" I suppose the Leader of the Opposition means ' Bill introduced in the Council '."

DR. V. K. JOHN :—" Yes, Sir. You please see clause (3)."

MR. CHAIRMAN :—" It refers only to a case which has been referred to the Speaker."

DR. V. K. JOHN :—" Yes, Sir."

MR. CHAIRMAN :—" The discussion may go on. I will consider this point and give a ruling. Mr. Narayana Menon, have you finished? "

SRI M. NARAYANA MENON :—" I have finished, Sir."

\* DR. V. K. JOHN :—" The only difficulty will be this. If you will decide that this will only relate to a Bill for the first time introduced in the Council, not coming from the Legislative Assembly, then the procedure laid down in Article 198 (4) will apply, that is, we only make a recommendation. Therefore, I suggest that you may give the ruling now. If, however, it is approved, this question will be carried to the Speaker for decision. If that be so, there is no point in our discussing this as a Money Bill because as a Money Bill, our powers are restricted."

MR. CHAIRMAN :—" What is the difference between a recommendation and an amendment? This is not a question of only power. If it is the Appropriation Bill, no amendment can be moved which will have the effect of varying the amount, etc. But this is a regular Money Bill. So, Article 198 ought to apply. The hon. Members can, therefore, move amendments. But they will be called ' recommendations ' and not ' amendments '. There is no other difference."

\* DR. V. K. JOHN :—" We must follow Article 198 so far as procedure in respect of Money Bills is concerned. Suppose it is not a Money Bill. Suppose we decide it must go to the Speaker, and the Speaker says that it is not a Money Bill. In that case, if we had proceeded under Article 198, the Bill will not become an Act."

MR. CHAIRMAN :—" My point so far as the procedure is concerned is this. When an ordinary Bill is introduced, the House has the power of moving amendments. If a Money Bill is introduced, this House is said to have the power of making a recommendation. The recommendation also must be passed on to the Speaker or the other House. Instead of calling it an amendment, we call it a ' recommendation '. What is the difficulty in this? In both the cases there is an amendment or recommendation. Both must be accepted by the other House. Practically speaking, there does not seem to be much difference in the whole discussion proceeding. The hon. Members are entitled to move amendments. Only they will be called ' recommendations '. This is not like Article 204. There it is an

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Appropriation Bill and no amendment can be proposed which will have the effect of varying the amount or altering the destination of any grant made."

\* DR. V. K. JOHN :—" I shall also give a point in support of what you are saying. Article 198 (3) says :

*' If the Legislative Assembly accepts any of the recommendations of the Legislative Council, the money Bill shall be deemed to have been passed by both Houses with the amendments recommended by the Legislative Council and accepted by the Legislative Assembly.'*

So, the Constitution itself thinks that the recommendation of the Legislative Council is an amendment. You will see, Sir, it is said ' with the amendments recommended by the Legislative Council '."

MR. CHAIRMAN :—" That is true. What is the Article that the Leader of the Opposition is reading? "

\* DR. V. K. JOHN :—" I am reading clause (3) of Article 198 to support your suggestion that there is not much distinction between a recommendation and an amendment. The word ' amendment ' comes in there. So, the recommendation itself is in the nature of an amendment."

MR. CHAIRMAN :—" Yes. The Hon. Minister may make his motion."

THE HON. SRI K. CHANDRAMOULI :—" I have already moved, Sir."

MR. CHAIRMAN :—" Is the Hon. Minister going to reply to the discussion? "

THE HON. SRI K. CHANDRAMOULI :—" I have already told you what I had to say, Sir. The Bill may be left as it is and after the lapse of fourteen days, it will automatically become law."

MR. CHAIRMAN :—" Is that all? Can the question be put to the vote of the House? "

DR. V. K. JOHN :—" Yes, Sir."

MR. CHAIRMAN :—" The question is—

*' That the Madras City Municipal, District Municipalities and Local Boards (Amendment) Bill, 1950 (L.A. Bill No. 5 of 1950), as passed by the Legislative Assembly and transmitted to the Council be taken into consideration.'* "

The motion was carried.

MR. CHAIRMAN :—" Does the hon. Member Dr. Lakshmanaswami Mudaliyar want to move any amendment? "

DR. A. LAKSHMANASWAMI MUDALIYAR :—" I only wanted to move that in new clause 110-A (b) proposed to be



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substituted by clause 4 of this Bill, the words 'three per centum' may be substituted for the words 'five per centum'. But you will rule it out of order."

MR. CHAIRMAN :—"Not under Article 198. It will be ruled out of order only under Article 204 because there it is an Appropriation Bill. It is only in the case of an Appropriation Bill that the hon. Members are not entitled to move any amendment which will vary the amount or alter the destination of any grant made. But under Article 198, the House can make any recommendation."

\* DR. V. K. JOHN :—"In the case of the Appropriation Bill, not only the Legislative Council but the Legislative Assembly also cannot make any amendment."

MR. CHAIRMAN :—"Yes, that is true."

DR. V. K. JOHN :—"But here we can make any recommendation."

MR. CHAIRMAN :—"Because this is a Money Bill, the House can make any recommendation."

Clauses 2, 3 and 4 were put separately and carried.

Clause 1 was put and carried.

The Preamble was put and carried.

MR. CHAIRMAN :—"The second reading of the Bill has been passed. What does the Hon. Minister propose to do now?"

\* THE HON. SRI H. SITARAMA REDDI :—"Sir, under Article 198 (5), if a Money Bill passed by the Assembly and transmitted to the Council for its recommendations is not returned to the Assembly within a period of fourteen days, it shall be deemed to have been passed by both Houses at the expiration of the said period in the form in which it was passed by the Assembly. Now the Council does not make any recommendation. It has accepted the provisions of the Bill. So, I suggest that it need not be transmitted to the Assembly."

MR. CHAIRMAN :—"The Article says that 'if a Money Bill passed by the Legislative Assembly and transmitted to the Legislative Council for its recommendations is not returned to the Legislative Assembly within the said period of fourteen days . . .'. So, if the Bill is not returned to the Assembly, it will mean that the Council is not able to dispose of it."

\* THE HON. SRI H. SITARAMA REDDI :—"It means that it does not make any recommendation."

MR. CHAIRMAN :—"If the Council discusses the matter and is not able to dispose of it, that is, is not able to take a decision on it, then no recommendation goes to the Assembly and after the lapse of fourteen days it automatically becomes law."

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DR. V. K. JOHN :—“ I think the procedure surely will be for the Hon. Minister to move that the Bill be passed into law.”

MR. CHAIRMAN :—“ There is no doubt about that. But the Government want to see that it does not go back to the Legislative Assembly. They have decided that it will automatically become law. I do not agree with the Government. It is not a case where the Council is not making any recommendation or has not disposed of the matter. The Council is prepared to dispose of the matter. If the Hon. Minister is not going to make a motion for the third reading of the Bill, the Bill will lapse.”

\* THE HON. SRI H. SITARAMA REDDI :—“ May I suggest for your consideration, Sir, that under clause (5) of Article 198 the transmitting of the Bill to the Legislative Assembly will arise if any special recommendation is to be made? Now that the Bill has been accepted by the Council in the form in which it was passed by the Assembly, there is no need to return the Bill to the Assembly. As it has been accepted, the Bill will automatically become law at the expiration of fourteen days. I suggest that you may kindly examine that issue.”

MR. CHAIRMAN :—“ Then what is the purpose of discussing the Bill here? The whole thing will become a farce. The Hon. Minister will see that this House is sitting here, has considered the matter and is prepared to send it back to the Assembly with the recommendation that it be passed into law. That is the recommendation of this House. In fact, that is the motion which the Hon. Minister ought to make. As the Finance Minister moved the other day in the case of the Appropriation Bill, the Hon. Minister should move that this Bill be sent back to the Assembly with the recommendation that it be passed into law without any amendment. Clause (5) of Article 198, according to me, does not apply in the present case, for the House is prepared to dispose of the matter and make a recommendation. It is only if for some reason the House is not able to dispose of the matter within the period of fourteen days that it can be said that the Bill will automatically become law.”

THE HON. SRI H. SITARAMA REDDI :—“ Since the House has agreed to all the clauses, I think you can say that there is no need to recommend the Bill to the Legislative Assembly. This House has got the right not to recommend it. I hope you will examine it and allow the Bill to become law automatically.”

MR. CHAIRMAN :—“ This House has got the right not to recommend the Bill as passed by the other House. It can recommend to the Assembly that this Bill may not be passed into law. The other House may accept it or reject it. But here the House is prepared to recommend that the Bill may be passed in its present form.”



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\* DR. V. K. JOHN :—" Sir, the Hon. Mr. Sitarama Reddi's difficulty is this. Article 198 (2) speaks of some recommendation of the Council which can be either accepted or rejected by the Assembly. He says that we do not send any recommendation. Our recommendation is that the Bill be accepted as it is. It is not a recommendation according to him. Some recommendation has to be made which has to go to the Legislative Assembly for acceptance or rejection; the Hon. Minister's point is that we are not making any recommendation and there is nothing for the Assembly to accept or reject. So, he thinks that it need not be sent back to the Assembly."

MR. CHAIRMAN :—" What does clause (5) say? "

\* DR. V. K. JOHN :—" Clause (5) says that if we do not make any recommendation within fourteen days, it will automatically become law."

MR. CHAIRMAN :—" If we do not make any recommendation . . . "

DR. V. K. JOHN :—" That is true."

MR. CHAIRMAN :—" Are we not making any recommendation? You simply leave it at that."

\* DR. V. K. JOHN :—" The point appears to be that when we make no recommendations, there is nothing for the Assembly to accept or reject. Now, we are not making any recommendation. Therefore we need not send it to the Assembly. After all, according to clause (5) of Article 198, the Bill will become law after the period mentioned in this clause. As we are not making any recommendations now, what has the Assembly to do? Technically, we are not making any recommendation. I think this seems to be the Government's view. But whatever it is there is clause (5)."

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MR. CHAIRMAN :—" The point is, are we to return the Bill to the Assembly or not."

\* DR. V. K. JOHN :—" According to the Hon. Minister, we are not to send the Bill. I think we may not make a recommendation. But now the second reading of the Bill has been over. The Government know that we do not make any recommendations. As we do not make any recommendation, there is nothing for the Assembly either to accept or reject anything under Article 198 (2). Even if this Bill is not remitted back to the Assembly, under clause (5), it is going to become law."

THE HON. SRI H. SITARAMA REDDI :—" I think clause (5) provides for such a thing. Otherwise, there is no necessity for that clause."

MR. CHAIRMAN :—" According to me, clause (5) is intended to cover cases when the House is not able to come to a decision or is not able to make up its mind on any particular matter within 14 days."

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\* DR. V. K. JOHN :—" With great respect to the interpretation given by you, Sir, that Clause (5) relates to cases mentioned by you, I may point out that now that we are not making any recommendation, this will become law automatically under this clause."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" Even though we did not propose any change or alteration in the Bill or any amendments that we may consider necessary, yet our sending back the Bill to the Assembly saying that it may be accepted as it is, is itself a recommendation. Moreover Article 200, makes the position clear. It says that all Bills passed by the Legislative Assembly of a State or, in the case of a State having a Legislative Council, has been passed by both Houses of the Legislature of the State, shall be presented to the Governor . . . ."

MR. CHAIRMAN :—" Having considered that, are we to say that we have not passed this Bill. But there is a proviso to this Article, namely, ' Provided that the Governor may, as soon as possible after the presentation to him of the Bill for assent, return the Bill if it is not a Money Bill . . . . ' Both the Money Bills and ordinary Bills must be passed by both the Houses of Legislature before they go up to the Governor."

\* DR. V. K. JOHN :—" According to Article 198, we can make some recommendation or other and let the Assembly accept it or reject. Otherwise it becomes a mere farce."

MR. CHAIRMAN :—" If we are not returning the Bill, it only means that we are not able to come to a decision on this point."

\* THE HON. SRI H. SITARAMA REDDI :—" If you feel that the Bill has been discussed in this House, and if it is proposed not to remit it back to the other House, it is open to this House to withhold or send back the Bill to the other House. If I may say so, the mere fact that this will go to the other House and passed as it is does not in any way affect the position."

MR. CHAIRMAN :—" We cannot help it."

THE HON. SRI H. SITARAMA REDDI :—" The matter is left to this House. It is within the power of this House either to send or not to send the Bill back to the other House. That is all that I am trying to submit. If this House wants that this Bill need not go back, it may be passed into law. Anyway this House has got a right to send or not to send back the Bill. It is entirely open to this House. But I should submit one thing and that is, there is clause (5), under which the Bill will become law at the expiry of 14 days."

MR. CHAIRMAN :—" I quite agree with the Hon. Minister. But there must be a motion of this House that this need not be sent to the Assembly. Now we have to decide whether this must be returned or need not be returned. We have finished the second



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reading of the Bill. There is to be a motion that the Bill may be sent back for acceptance by the other House with any recommendation that may be considered necessary, or there is to be a motion that the Bill need not be sent back."

SRI S. B. ADITYAN :—" I think that the motion suggested by you, can be moved on some other day. It is not necessary that we should move that motion on the same day only after the second reading is over, and after the Bill has been considered clause by clause. This has not been included in the Agenda. The motion that the Bill be passed into law or be sent back to the Assembly is not in the Agenda. If such a motion is considered necessary, this could be put up in the Agenda for some other day. I suggest that as such a motion is not in the Agenda for to-day, it need not be considered now."

\* DR. V. K. JOHN :—" There is another matter also to be considered in this connection. Have we any jurisdiction to send the Bill. I am not saying this as a sort of argument. I want the House to consider whether, when we do not make any recommendation, we have jurisdiction to send back this Bill to the Legislative Assembly. Our mere returning the Bill with the remark that the Bill be accepted is not a recommendation. In such a case Article 198 (2), may not be attracted at all and automatically Article 198 (5), might be attracted and Hon. Sitarama Reddy's motion may be right."

MR. CHAIRMAN :—" There is no motion as such."

\* DR. V. K. JOHN :—" I mean Hon. Sitarama Reddy's suggestion. Or, the Government might move that this need not be returned as we have no recommendation to make."

MR. CHAIRMAN :—" The point raised by Mr. Adityan has also to be considered. Anyway I leave it to the Government. This is a matter for the legal pandits to consider whether the thing has been properly done."

\* DR. V. K. JOHN :—" Dr. Lakshmanaswami Mudaliyar has suggested that even though we may not move any amendment, still we can recommend that the Bill be passed as it is. If that is your interpretation also, I think we could send it under Article 198. Even then, there is the point to be considered whether we have jurisdiction to do so."

DR. A. LAKSHMANASWAMI MUDALIYAR :—" The only point that I would suggest to be moved is that consideration of the Bill be adjourned to a later date. This will cover clause (5) also. It is not open to them to say at this stage that they do not want any decision of the House. The decision of the House is a positive decision with or without alterations in the Bill. Therefore when once you have gone through the Bill clause by clause and the

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House has accepted them, it would be stultifying itself if we now say in the third reading stage that the House will not come to a decision in the matter."

MR. CHAIRMAN :—" The idea is that third reading is unnecessary. The second reading of the Bill is over without any amendments. It means that the Bill is passed. Anyhow I leave it to the Government. Let it be clearly understood that I am not at all compelling the Government to come to any particular conclusion. I only want them to examine whether the thing has been properly done. As I said this is a matter for the Government to decide."

\* DR. V. K. JOHN :—" The Government's difficulty seems to be that this Bill has been passed in the Assembly already and when the Council is not making any definite recommendations, there is no necessity for sending it back to the Legislative Assembly. It may perhaps be waste of time and money of the Legislature. That seems to be the view of the Government."

SRI K. NATARAJAN :—" Article 196 (2) says :

' Subject to the provisions of Articles 197 and 198 a Bill shall not be deemed to have been passed by the Houses of the Legislature of a State having a Legislative Council unless it has been agreed to by both Houses, either without amendment or with such amendments only as are agreed to by both Houses.'

What is the position now having regard to this Article. There must be a resolution of either having rejected or of having accepted or of having moved amendments or of having made some recommendation or other."

MR. CHAIRMAN :—" The second reading of the Bill is now over without any recommendation whatsoever. However I wish to point out that these are all conventions. Till now we were adopting a procedure according to which there used to be three stages for every Bill, namely, first stage, second stage and third stage. Now the point seems to be that the third stage is unnecessary and we can stop with the second reading. This is the point with which the House is now concerned."

DR. V. K. JOHN :—" I think it is only with regard to Money Bills."

MR. CHAIRMAN :—" I am speaking only of Money Bills and not any other Bill. The opinion seems to be that in the case of Money Bills, third reading is not necessary and if second reading is over, it is enough."

\* DR. V. K. JOHN :—" You must give us the benefit of your views in the matter, Sir."

MR. CHAIRMAN :—" I am not concerned in the matter and I don't know if the privilege of the House is involved in this matter. My opinion is that this is a matter which the Government should really examine carefully, because it might affect the question of validity of the Act itself. It is for the Government to consider and



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satisfy themselves if the present position is quite sufficient and even without a third reading of the Bill, and even without the Bill being sent back to the Assembly by the Council, the Bill would become law. I think the Government would be well-advised to examine the position rather carefully. Just for the sake of preventing the Bill from going back to the Assembly, if they want to stop here, and by this if there were any lacuna left in the passage of the Bill, then it is the look-out of the Government."

SRI K. NATARAJAN :—" What is the difficulty of the Government and how are they handicapped in the matter. Even according to some of the Articles of the Constitution the Bill need not go to the Assembly and still it can become law."

THE HON. SRI H. SITARAMA REDDI :—" This is a matter in which the House has to make a decision."

MR. CHAIRMAN :—" Where does the decision of the House come in? There is no motion before the House. Only when there is a motion there could be a decision of the House. If it was an ordinary Bill there would have been no difficulty. As this is a Money Bill, if it is thought that it should be stopped here, then it is a matter for the Government to consider."

THE HON. DR. T. S. S. RAJAN :—" I want this to be decided before we go for lunch. The question whether third reading of the Bill ought to be proceeded with or not may be decided now."

MR. CHAIRMAN :—" It is a matter for the Government to decide."

THE HON. DR. T. S. S. RAJAN :—" I think with regard to this Bill such action as may be considered necessary may be discussed with you and the Speaker of the Assembly so that there could be . . ."

MR. CHAIRMAN :—" We are not on that point now. The point is, in the case of Money Bills, after the second reading is over, whether a motion for the third reading of the Bill or for sending back the Bill to the Assembly should be moved or not. I would like to repeat that it is a matter for the Government to consider and to come to a conclusion. If the Government want to have the third reading of the Bill there ought to be a motion for that. If they do not want to have the third reading of the Bill and do not want to send it back and want to stop here, then also there must be a motion."

THE HON. DR. T. S. S. RAJAN :—" I suggest, Sir, that the third reading also could be done now before we adjourn for lunch."

1-45  
p.m.

MR. CHAIRMAN :—" If the Leader of the House makes a motion to that effect, I shall finish it."

THE HON. SRI K. CHANDRAMOULI :—" Sir, I would like to say one or two words in this connexion. On the part of the Government, they have decided that there is no necessity for a motion. If the Opposition want, they may move a motion. We feel that the proper procedure is that there should be no third reading."

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MR. CHAIRMAN :—“ Why is the Hon. the Minister worried about the Opposition? The Opposition will take care of itself.”

DR. A. LAKSHMANASWAMI MUDALIYAR :—“ I beg to make this appeal to you, Sir. Let this not be made a precedent for future Bills.”

MR. CHAIRMAN :—“ I now adjourn the House to meet again at 2-45 p.m.”

The House then rose for lunch.

(After lunch—2-45 p.m.)

(7) THE MADRAS STAMP (AMENDMENT) BILL, 1950  
(L.A. BILL NO. 10 OF 1950).

\* THE HON. SRI H. SITARAMA REDDI :—“ Mr. Chairman, Sir, I move—

*‘ That the Madras Stamp (Amendment) Bill, 1950 (L.A. Bill No. 10 of 1950)\*, as passed by the Legislative Assembly and transmitted to the Council be taken into consideration.’*

Under Article 38 of Schedule I-A to the Indian Stamp Act, 1899, an instrument of partition is chargeable with stamp duty for the amount of the value of the separated share or shares of the property to which the instrument relates. Clause (b) of the proviso under that article, however, states that where land is held on Revenue Settlement for a period not exceeding thirty years and full assessment is paid, the value of such land for purposes of stamp duty shall be calculated at not more than five times the annual revenue. The Government consider that as the value of land has increased enormously, the value of the land referred to in the proviso should be calculated at twenty-five times the annual revenue for the purpose of determining the stamp duty. The Bill is intended to achieve this object.

“ Sir, so far as non-ryotwari lands are concerned the stamp duty payable in the matter of partitions, is calculated with reference to the market value of the land while ryotwari lands are enjoying, a concession in that they have had to pay only five times the annual revenue. Now it is proposed to make this five into twenty-five times the annual assessment. Even then, it will be found that stamp duty in this case is considerably lower than what is being charged in respect of non-ryotwari lands. As such, the Bill seeks to enhance the stamp duty in respect of ryotwari areas in relation only to partition deeds.”

MR. CHAIRMAN :—“ I do not find any copy of the original Act which is sought to be amended . . . .”

DR. V. K. JOHN :—“ They have circulated it in the Assembly, Sir, and not here.”

MR. CHAIRMAN :—“ I think while amendments are proposed, copies of original sections which are to be amended are usually supplied to Members.”